

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 28-29, 2012

Reference No.: 2.5e.(1)
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Rachel Falsetti
Division Chief
Transportation Programming

Subject: **ALLOCATION FOR SUPPLEMENTAL FUNDS FOR PREVIOUSLY VOTED PROJECT
RESOLUTION FA-11-19**

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) allocate an additional \$169,000 for one State Highway Operation and Protection Program (SHOPP) Minor A project identified below.

ISSUE:

Additional funds are needed for one previously approved project in order to award the construction contract.

RESOLUTION:

Resolved, that \$169,000 be allocated from the Budget Act of 2011, Budget Act Item 2660-302-0042 to provide additional funds for the project identified below.

| <u>Project</u> | <u>Dist-Co-Rte</u> | <u>Original Allocated Amount</u> | <u>Current Allocation</u> | <u>Allocation Adjustment</u> | <u>Revised Allocation</u> | <u>% Increase Above Current Allocation</u> |
|----------------|--------------------|--|-------------------------------|----------------------------------|-------------------------------|--|
| 1 | 10-Tuo-108 | \$755,000 | \$755,000 | \$169,000 | \$924,000 | 22.4% |

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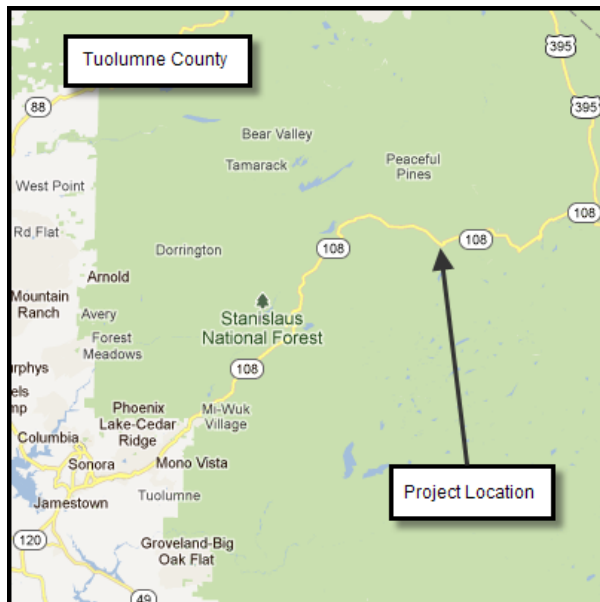
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| Project # Allocation Amount Recipient County Dist-Co-Rte Postmile | Location Project Description Reason for Supplemental Funds | PPNO Program Funding Year Item # Fund Type Program Codes Project ID Adv Phase EA | State Federal Current Amount by Fund Type | State Federal Additional Amount by Fund Type | State Federal Revised Amount by Fund Type |
|---|--|--|--|--|---|
| 2.5e.(1) Supplemental Funds for Previously Voted Projects | | | Resolution FA-11-19 | | |
| 1 \$169,000 Department of Transportation Tuolumne 10-Tuo-108 58.8 | In Tuolumne County, one mile east of Kennedy Meadows. <u>Outcome/Output:</u> Construct a 138-foot long soldier pile wall to mitigate slope erosion and restore roadway. Supplemental funds needed to award construction contract. Total Revised Amount: \$924,000 | 10-N/A SHOPP/Minor A 2011-12 302-0042 SHA 20.20.201.150 1000000235 4 0S2404 | \$755,000 | \$169,000 | \$924,000 |

RECOMMENDATION:

The Department recommends that this request for \$169,000 be approved to allow this project to be awarded.



PROJECT DESCRIPTION:

This project is located on Route 108 in Tuolumne County, at one mile east of Kennedy Meadows. The project is necessary to mitigate slope erosion and restore roadway stability by:

- Constructing a 138-foot long soldier pile wall.
- Constructing a 165 feet of metal beam guardrail.
- Widening the eastbound lane and adding a two-foot wide shoulder.
- Upgrading drainage.

FUNDING STATUS:

This project is part of the SHOPP Minor Program with an estimated capital construction cost of \$650,000 approved at the June 23, 2011, Commission meeting. On October 26, 2011, \$755,000 was sub-allocated by the Department as authorized by Resolution G-05-05. The project was later advertised on December 5, 2011, and bids were opened on January 18, 2012, resulting in six bidders. The lowest qualified bid (second bidder) came in 21.9 percent over the Engineer's Estimate. Although the lowest bid came in at 21.9 percent over the Engineer's Estimate it was the second lowest bid at 27.2 percent over the Engineer's Estimate that was chosen because the second bidder claimed small business preference. The amount needed to award, based on the lowest qualified bid is \$169,000. The project will be awarded upon approval of this supplemental funds request.

REASONS FOR COST INCREASE:

The reasons for the cost increase are summarized as follows:

| Description | Engineer's Estimate | Bid Amount | Increase |
|----------------------|---------------------|------------|-----------|
| 24-inch Drilled Hole | \$25,500 | \$ 93,177 | \$67,677 |
| Tieback Anchor | \$86,000 | \$150,034 | \$64,034 |
| Steel Soldier Pile | \$30,600 | \$ 60,225 | \$29,625 |
| Miscellaneous | | | \$7,664 |
| Total Increase | | | \$169,000 |

The Engineer's Estimate unit prices for 24-inch Drilled Hole, Tieback Anchor, and Steel Soldier Pile was based on a review of recently awarded contracts in and near Tuolumne County. Although the Department's estimate was based on the analysis of prior projects and drilling conditions as encountered by the Department's geotechnical investigation, it appears that the estimate did not fully adjust the cost to reflect the small quantities and remote location. As a result, the bid on each of these items was higher than the Engineer's Estimate, resulting in a cost difference.

FUNDING OPTIONS:

OPTION A: Approve this request for supplemental funds, as presented above, for \$169,000 to allow this project to be awarded.

OPTION B: Deny this request and direct the Department to revise the project to remain within the allocated amount and re-advertise the project. The Department has considered this option and determined that reducing the scope of work on this project, and executing another project to complete the deleted work later would result in greater cost and more disruption to the traveling public.

RECOMMENDED OPTION:

The Department recommends that this request for \$169,000, as presented in Option A, above, be approved to allow this project to be awarded.